

Sen. Dan Cronin

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Filed: 4/13/2010

09600SB0580sam003

LRB096 06644 RLJ 39886 a

1 AMENDMENT TO SENATE BILL 580 2 AMENDMENT NO. . Amend Senate Bill 580, AS AMENDED, by 3 replacing everything after the enacting clause with the 4 following: 5 "Section 5. The Counties Code is amended by changing 6 Sections 5-1012, 5-1024, and 5-15003 and by adding the heading 7 of Div. 5-43 and Sections 5-43000, 5-43005, 5-43010, 5-43015, 5-43020, 5-43025, 5-43030, 5-43035, 5-43040, 5-43045, 5-43050, 8 5-43055, 5-43060, and 5-43065 as follows: 9 (55 ILCS 5/5-1012) (from Ch. 34, par. 5-1012) 10 11 Sec. 5-1012. Issuance of county bonds. When the county 12 board of any county deems it necessary to issue county bonds to 13 enable them to perform any of the duties imposed upon them by

law, they may, by an order, entered of record, specifying the

amount of bonds required, and the object for which they are to

be issued, submit to the legal voters of their county, at any

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election, the question of issuing such county bonds. The county board shall certify the question to the proper election officials who shall submit the question at an election in accordance with the general election law. The amount of the bonds so issued shall not exceed, including the then existing indebtedness of the county, 5.75% of the value of such taxable property of such county, as ascertained by the assessment for the State and county tax for the preceding year or, until January 1, 1983, if greater, the sum that is produced by multiplying the county's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979. For the purposes of calculating the rate limitation, the amount of any bonds or indebtedness transferred to a successor county under Division 135 of the Illinois Municipal Code or the Water Commission Act of 1985 pursuant to this amendatory Act of the 96th General Assembly shall be excluded. The proposition shall be in substantially the following form: "For county bonds", or "Against county bonds", and if a majority of the votes on that question shall be "For county bonds", such county board may issue such bonds in such denominations as the county board may determine of not less than \$25 each, payable respectively, in not less than one, nor more than 20 years, with interest payable annually or semi-annually, at the rate of not more than the greater of (i) the maximum rate authorized by the Bond Authorization Act, as amended at the time of the making of the contract, or (ii) 8% per annum. This Section shall not require

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submission to the voters of the county of bond issues authorized to be issued without such submission to the voters under Section 5-1027 or 5-1062 or under Division 5-33, 6-6, 6-8 or 6-27 of this Code.

With respect to instruments for the payment of money issued under this Section or its predecessor either before, on, or after the effective date of Public Act 86-4, it is and always has been the intention of the General Assembly (i) that the Omnibus Bond Acts are and always have been supplementary grants of power to issue instruments in accordance with the Omnibus Bond Acts, regardless of any provision of this Act or "An Act to revise the law in relation to counties", approved March 31, 1874, that may appear to be or to have been more restrictive than those Acts, (ii) that the provisions of this Section or its predecessor are not a limitation on the supplementary authority granted by the Omnibus Bond Acts, and (iii) that instruments issued under this Section or its predecessor within the supplementary authority granted by the Omnibus Bond Acts are not invalid because of any provision of this Act or "An Act to revise the law in relation to counties", approved March 31, 1874, that may appear to be or to have been more restrictive than those Acts.

- 23 (Source: P.A. 90-655, eff. 7-30-98.)
- 24 (55 ILCS 5/5-1024) (from Ch. 34, par. 5-1024)
- Sec. 5-1024. Taxes. A county board may cause to be levied

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and collected annually, except as hereinafter provided, taxes for county purposes, including all purposes for which money may be raised by the county by taxation, in counties having 80,000 or more but less than 3,000,000 inhabitants at a rate not exceeding .25%, of the value as equalized or assessed by the Department of Revenue; in counties with less than 80,000 but more than 15,000 inhabitants at a rate not exceeding .27%, of the value as equalized or assessed by the Department of Revenue; in counties with less than 80,000 inhabitants which have authorized a tax by referendum under Section 7-2 of the Juvenile Court Act prior to the effective date of this amendatory Act of 1985, at a rate not exceeding .32%, of the value as equalized or assessed by the Department of Revenue; and in counties with 15,000 or fewer inhabitants at a rate not exceeding .37%, of the value as equalized or assessed by the Department of Revenue; and in counties having 3,000,000 or more inhabitants for each even numbered year, subject to abatement requirements hereinafter provided, at a rate not exceeding .39% of the value, as equalized or assessed by the Department of Revenue, and for each odd numbered year, subject to the abatement requirements hereinafter provided, at a rate not exceeding .35% of the value as equalized or assessed by the Department of Revenue, except taxes for the payment of interest on and principal of bonded indebtedness heretofore duly authorized for the construction of State aid roads in the county as defined in "An Act to revise the law in relation to

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roads and bridges", approved June 27, 1913, or for the construction of county highways as defined in the Illinois Highway Code, and except taxes for the payment of interest on and principal of bonded indebtedness duly authorized without a vote of the people of the county, and except taxes authorized as additional by a vote of the people of the county, and except taxes for working cash fund purposes, and except taxes as authorized by Sections 5-601, 5-602, 5-603, 5-604 and 6-512 of the Illinois Highway Code, and except taxes authorized under Section 7 of the Village Library Act, and except taxes levied to pay the annual rent payments due under a lease entered into by the county with a Public Building Commission as authorized by Section 18 of the Public Building Commission Act, and except taxes levied under Division 6-3, and except taxes levied for general assistance for needy persons in counties under commission form of government and except taxes levied under the County Care for Persons with Developmental Disabilities Act, and except taxes levied under the Community Mental Health Act, and except taxes levied under Section 5-1025 to pay the expenses of elections and except taxes levied under "An Act to provide the manner of levying or imposing taxes for the provision of special services to areas within the boundaries of home rule units and non-home rule municipalities and counties", approved September 21, 1973, and except taxes levied under Section 3a of the Revenue Act of 1939 for the purposes of helping to pay for the expenses of the assessor's office, and

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except taxes levied under Division 5-21, and except taxes levied pursuant to Section 19 of "The Illinois Emergency Services and Disaster Agency Act of 1975", as now or hereafter amended, and except taxes levied pursuant to Division 5-23, and except taxes levied under Section 5 of the County Shelter Care and Detention Home Act, and except taxes levied under the Children's Advocacy Center Act, and except taxes levied under Section 9-107 of the Local Governmental and Governmental Employees Tort Immunity Act, and except taxes levied under Section 2 of the Water Commission Act of 1985 by a successor county as provided under Division 5-43 of the Counties Code.

Those taxes a county has levied and excepted from the rate limitation imposed by this Section or Section 25.05 of "An Act to revise the law in relation to counties", approved March 31, 1874, in reliance on this amendatory Act of 1994 are not invalid because of any provision of this Section that may be construed to or may have been construed to restrict or limit those taxes levied and those taxes are hereby validated. This validation of taxes levied applies to all cases pending on or after the effective date of this amendatory Act of 1994.

Nothing contained in this amendatory Act of 1994 shall be construed to affect the application of the Property Tax Extension Limitation Law.

Any tax levied for general assistance for needy persons in any county in addition to and in excess of the maximum levy permitted by this Section for general county purposes shall be

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paid into a special fund in the county treasury and used only for the purposes for which it is levied except that any excess in such fund over the amount needed for general assistance may be used for County Nursing Home purposes and shall not exceed .10% of the value, as equalized or assessed by the Department of Revenue. Any taxes levied for general assistance pursuant to this Section may also be used for the payment of warrants issued against and in anticipation of such taxes and accrued interest thereon and may also be used for the payment of costs of administering such general assistance.

In counties having 3,000,000 or more inhabitants, taxes levied for any year for any purpose or purposes, except amounts levied for the payment of bonded indebtedness or interest thereon and for pension fund purpose, and except taxes levied to pay the annual rent payments due under a lease entered into by the county with a Public Building Commission as authorized by Section 18 of the Public Building Commission Act, are subject to the limitation that they shall not exceed the estimated amount of taxes to be levied for the year for the purpose or purposes as determined in accordance with Section 6-24001 and set forth in the annual appropriation bill of the county and in ascertaining the rate per cent that will produce the amount of any tax levied in any county, the county clerk shall not add to the tax or rate any sum or amount to cover the loss and cost of collecting the tax, except in the case of amounts levied for the payment of bonded indebtedness or

Public Building Commission Act.

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interest thereon, and in the case of amounts levied for pension fund purposes, and except taxes levied to pay the annual rent payments due under a lease entered into by the county with a Public Building Commission as authorized by Section 18 of the

In counties having a population of 3,000,000 or more inhabitants, the county clerk shall in each even numbered year, before extending the county tax for the year, reduce the levy for county purposes for the year (exclusive of levies for payment of indebtedness and payment of interest on and principal of bonded indebtedness as aforesaid, and exclusive of county highway taxes as aforesaid, and exclusive of pension fund taxes, and except taxes levied to pay the annual rent payments due under a lease entered into by the county with a Public Building Commission as authorized by Section 18 of the Public Building Commission Act) in the manner described and in an amount to be determined as follows: If the amount received from the collection of the tax levied in the last preceding even numbered year for county purposes as aforesaid, as shown by the county treasurer's final settlement for the last preceding even numbered year and also by subsequent receipts of delinquent taxes for the county purposes fund levied for the last preceding even numbered year, equals or exceeds the amount produced by multiplying the rate extended for the county purposes for the last preceding even numbered year by the total assessed valuation of all property in the county used in the

year for purposes of state and county taxes, and by deducting therefrom the amount appropriated to cover the loss and cost of collecting taxes to be levied for the county purposes fund for the last preceding even numbered year, the clerk in determining the rate per cent to be extended for the county purposes fund shall deduct from the amount of the levy certified to him for county purposes as aforesaid for even numbered years the amount received by the county clerk or withheld by the county treasurer from other municipal corporations within the county as their pro rata share of election expenses for the last preceding even numbered year, as authorized in Sections 13-11, 13-12, 13-13 and 16-2 of the Election Code, and the clerk in these counties shall extend only the net amount remaining after such deductions.

The foregoing limitations upon tax rates, insofar as they are applicable to counties having less than 3,000,000 inhabitants, may be increased or decreased under the referendum provisions of the General Revenue Law of Illinois and there shall be no limit on the rate of tax for county purposes that may be levied by a county so long as any increase in the rate is authorized by referendum in that county.

Any county having a population of less than 3,000,000 inhabitants that has determined to change its fiscal year may, as a means of effectuating a change, instead of levying taxes for a one-year period, levy taxes for a period greater or less than a year as may be necessary.

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In counties having less than 3,000,000 inhabitants, in ascertaining the rate per cent that will produce the amount of any tax levied in that county, the County Clerk shall not add to the tax or rate any sum or amount to cover the loss and cost of collecting the tax except in the case of amounts levied for the payment of bonded indebtedness or interest thereon and in the case of amounts levied for pension fund purposes and except taxes levied to pay the annual rent payments due under a lease entered into by the county with a Public Building Commission as authorized by Section 18 of the Public Building Commission Act.

A county shall not have its maximum tax rate reduced as a result of a population increase indicated by the 1980 federal census.

(Source: P.A. 91-51, eff. 6-30-99.) 14

15 (55 ILCS 5/5-15003) (from Ch. 34, par. 5-15003)

> Sec. 5-15003. Department of public works. The county board may establish a department of public works with authority to exercise complete supervision in such county over any of the projects authorized by this Division in either of the methods designated hereafter.

> A. The county board may employ a superintendent of public works and such other employees for the administration of the department as may be necessary. The superintendent shall be a registered professional engineer and shall have complete authority to supervise and manage the department; or

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B. Each county public works department shall be managed by a board of public works, consisting of 5 members appointed by the President and Chairman of the county board, with the approval of the county board, for a 3 year term, except that of the first appointees, 2 shall serve for one year, 2 for 2 years, and one for 3 years. The term of office of original appointees shall be regarded as beginning on July 1, following their appointment, and the term of all members shall continue until their successors are appointed. At least 2 members must be elected officials of municipalities within the county whose terms of office within the municipalities will not expire prior to the termination of appointment hereunder, one member must be a member of the county board whose term of office will not expire prior to the termination of appointment hereunder, one member must be a trustee of a Sanitary District within the county whose term of office will not expire prior to the termination of appointment hereunder, and one member must be chosen to represent the Conservation and Public Health interests. The members of the board shall receive compensation as provided by the county board. The board of public works may employ a superintendent of public works and any other employees for the administration of the department as may be necessary. The superintendent must be a registered professional engineer. Any county may advance general funds for necessary studies or engineering for a project to be financed by revenue bonds and be reimbursed by the proceeds of such bonds. Any county may

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1 purchase such bonds with funds derived solely from the County Retailers Occupation Tax. 2

A county to which governance and legislative authority over a water commission has been transferred and consolidated under Division 5-43 shall, by ordinance, establish a Water Distribution Committee. The Water Distribution Committee shall consist of equal numbers of county board members and municipal representatives from each county board district and any other members as may be determined by the county and municipal members.

The county board members shall be appointed as provided by the rules of the county board. Municipal members from each county board district or other represented area shall be appointed by a majority vote of the mayors of those municipalities that have the greatest percentage of their respective populations residing in the county board district or other represented area. Persons appointed to the Committee must have knowledge of and experience in management, finance, engineering, or other professional qualifications. All municipal and county board representatives shall be entitled to a vote. No Committee member shall receive a salary or compensation for service other than as provided by rule of the county board. Officers of the Committee shall include a chair to be selected by the chairperson of the county board and a vice-chair to be selected by the municipal representatives. The county clerk and treasurer shall perform their respective

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functions as for other county committees and departments. 1

The principal duties of the Water Distribution Committee shall be to provide recommendations related to the exercise of the county's powers vested in the county under Division 5-43 and shall have such direct administrative responsibilities over the water distribution from the county distribution system to the municipal water systems as shall be assigned by the county board. The Water Distribution Committee shall have no duties related to a county's public works water system, which shall continue to be administered in accordance with paragraphs A. or B. of this Section.

The Water Distribution Committee shall provide for the proper and safe keeping of its permanent records and for the recording of the corporate action of the Committee. The Committee shall post on the county's official Internet website the following records and information: (i) minutes of meetings, (ii) contracts, (iii) purchase orders, (iv) advertisements for bids, (v) and any vendor doing business with the Committee.

19 (Source: P.A. 86-962.)

2.0 (55 ILCS 5/Div. 5-43 heading new)

21 Division 5-43. Water Distribution Powers

22 (55 ILCS 5/5-43000 new)

23 Sec. 5-43000. Purpose and findings. It is the purpose of 24 this Division 5-43 to merge and consolidate county water commission.

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1 commissions created under the provisions of Division 135 of the 2 Illinois Municipal Code or the Water Commission Act of 1985 and 3 to transfer governance of those water commissions to the county 4 board of the primary county encompassing the municipality and 5 units of local government served by the county water

The General Assembly finds that numerous economic challenges, unprecedented in scope and scale, confront the State. The General Assembly also finds that the State has a compelling interest in reducing the economic and administrative inefficiencies resulting from multiple units of local government conducting related public services. In response to the realities of the current economic times, in an effort to increase administrative efficiency, and in an effort to reduce the multiplicity of units of local government conducting related public services, this Division 5-43 is intended to (i) preserve the separate and distinct public service of a county water commission to assure the sufficient and economic provision of a water distribution service within those county-wide areas in need, (ii) assign, merge, and consolidate governance and legislative authority assigned to water commission boards to the county of primary location, and (iii) maintain the independent power of municipalities to provide for the retail distribution of water to their residents and customers of their municipal waterworks systems.

The changes made by this amendatory Act of the 96th General

1 Assembly are intended to save costs by eliminating an unnecessary additional level of government, make the 2 3 governance of the water distribution systems more responsive to 4 the electors and water users, serve more equitably the 5 municipalities receiving water, ensure the financial viability 6 of the water distribution systems, spread the costs of the water distribution systems more equitably among the users, 7 8 ensure proper financial and operational oversight, and ensure 9 that government services are delivered in a transparent and 10 responsible manner.

General Assembly to change or permit the changing of any financial covenants or obligations of a water commission previously established under Division 135 of the Illinois Municipal Code or the Water Commission Act of 1985.

It is not the intent of this amendatory Act of the 96th

(55 ILCS 5/5-43005 new)

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Sec. 5-43005. Consolidation and reassignment of authority. Each county that is the primary county served by a water commission previously formed under Division 135 of the Illinois Municipal Code or the Water Commission Act of 1985 is vested with all powers vested in such water commissions whose authority is abrogated under the provisions of this amendatory Act of the 96th General Assembly. On and after December 1, 2010, all powers vested in such water commissioners or water commissions with regard to the operation and maintenance of a

- county water distribution system shall be exercised by the 1
- 2 county of primary service.
- 3 (55 ILCS 5/5-43010 new)
- 4 Sec. 5-43010. Binding actions. All acts lawfully done by or
- 5 in favor of any county water commission or water commission
- corporate authority superseded by a successor county 6
- 7 government pursuant to the terms of this Division 5-43 shall be
- 8 valid and binding upon the respective parties affected by such
- 9 acts, except that the successor county shall be substituted in
- 10 lieu of the county water commission or water commission
- corporate authority. This provision shall apply among other 11
- 12 things to contracts, grants, licenses, warrants, orders,
- 13 notices, assignments, and official bonds, but shall not affect
- 14 any existing or contingent rights of a county water commission
- or water commission corporate authority to modify, revoke, or 15
- rescind a contract, grant, license, warrant, order, notice, 16
- assignment, or official bond. Any arrangement or agreement with 17
- any other institution, agency, or association, public or 18
- private, existing at the time this amendatory Act of the 96th 19
- General Assembly takes effect shall not be impaired or 20
- 21 affected, but shall be continued in force by the provisions of
- 22 this Division 5-43.
- 2.3 (55 ILCS 5/5-43015 new)
- 24 Sec. 5-43015. Ordinances, orders, and resolutions.

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- (a) On December 1, 2010, the ordinances, orders, and resolutions of a predecessor consolidated water commission under this amendatory Act of the 96th General Assembly that were in effect on November 30, 2010, and that pertain to the assets, property, rights, powers, monetary indebtedness, and functions transferred to the county served by the predecessor consolidated water commission, shall become, with respect to that territory, the ordinances, orders, and resolutions of the county and shall continue in effect until amended or repealed or expiration under this stated term, whichever occurs first. (b) Any ordinances, orders, or resolutions pertaining to the assets, property, rights, powers, monetary indebtedness, and functions transferred to the county under this amendatory Act of the 96th General Assembly that have been proposed by a predecessor consolidated water commission, but have not taken effect or been finally adopted by November 30, 2010 shall become, with respect to that territory, the proposed ordinances, orders, and resolutions of the successor county, and any procedures that have already been completed by the predecessor consolidated water commission for those proposed ordinances, orders, or resolutions need not be repeated.
- 22 (55 ILCS 5/5-43020 new)
- 23 Sec. 5-43020. Savings provisions.
- 24 The assets, property, rights, powers, monetary (a) 25 indebtedness, and functions reassigned and consolidated for

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1 governance to a successor county by this amendatory Act of the 2 96th General Assembly shall be vested in that county subject to the provisions of this amendatory Act of the 96th General 3 4 Assembly. An act done by a predecessor consolidated water 5 commission with respect to the transferred assets, property, 6 rights, powers, monetary indebtedness, or functions shall have 7 the same legal effect as if done by the county. The county is not liable for any act done by an officer, employee, or agent 8 9 of the predecessor consolidated water commission on or before 10 December 1, 2010, if the act was an individual or unofficial act or an act outside of the scope of duties. 11

(b) The transfer of assets, property, rights, powers, monetary indebtedness, and functions under this amendatory Act of the 96th General Assembly does not invalidate any previous action taken by or in respect to a predecessor consolidated water commission or its officers, employees, or agents. Reference to a predecessor consolidated water commission or to its officers, employees, or agents in any document, contract, agreement, or law shall, in appropriate contexts, be deemed to refer to the county served by the predecessor consolidated water commission.

(c) The transfer under this amendatory Act of the 96th General Assembly of assets, property, rights, powers, monetary indebtedness, and functions of a predecessor consolidated water commission, does not affect any person's rights, obligations, or duties, including any applicable civil or

1	criminal	penalties	arising	out	of	those	transferred	assets,
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- property, rights, powers, monetary indebtedness, 2 and
- 3 functions.
- 4 (d) With respect to matters pertaining to an asset,
- 5 property, right, power, monetary indebtedness, or function
- transferred to a county under this amendatory Act of the 96th 6
- 7 General Assembly:
- (1) Beginning December 1, 2010, a report or notice that 8
- 9 was previously required to be made or given by any person
- 10 to a predecessor consolidated water commission or to any of
- its officers, employees, or agents must be made or given in 11
- 12 the same manner to the county.
- 13 (2) Beginning December 1, 2010, a document that was
- 14 previously required to be furnished or served by any person
- 15 to or upon a predecessor consolidated water commission or
- 16 to or upon any of its officers, employees, or agents must
- 17 be furnished or served in the same manner to or upon the
- 18 county.
- 19 (e) This amendatory Act of the 96th General Assembly does
- 20 not affect any act done, ratified, or cancelled, or any right
- 21 occurring or established, or any action or proceeding had or
- 22 commenced in an administrative, civil, or criminal case before
- December 1, 2010. Any such action or proceeding that pertains 23
- 24 to an asset, property, right, power, monetary indebtedness, or
- 25 function transferred to a county under this amendatory Act of
- 26 the 96th General Assembly, and that is pending on November 30,

2010, may be prosecuted, defended, or continued by the county. 1

2 (55 ILCS 5/5-43025 new)

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Sec. 5-43025. Title to property and revenue maintained by the county. Effective December 1, 2010, the title to all lands, property, and funds of every description owned or held by a county water commission superseded by a successor county shall be vested in the successor county. Funds held by a superseded county water commission or water commission corporate authority for a particular purpose shall be set aside and used by the successor county only for the purpose originally designated.

Any surplus of such funds remaining after accomplishing such purpose shall become a part of the water distribution enterprise fund maintained by the successor county as set forth in Section 5-43040.

Any property or funds held by any county water commission or water commission corporate authority superseded by the successor county upon any special expressed trust shall be held by the successor county under that trust.

The proceeds of taxes and special assessments, lawfully levied before this amendatory Act of the 96th General Assembly takes effect, shall continue to be collected after the effective date of this amendatory Act of the 96th General Assembly in the name of the successor county, and shall be applied to the purposes for which they were lawfully levied or

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Any surplus of such proceeds available after application to 2 and completion of such purposes shall become a part of the 3

water distribution enterprise fund maintained by the successor

county as set forth in Section 5-43040.

6 (55 ILCS 5/5-43030 new)

> Sec. 5-43030. Water distribution and supply powers. On and after December 1, 2010, all governance powers previously delegated to a county water commission formed under Division 135 of the Illinois Municipal Code or the Water Commission Act of 1985 are assigned to, transferred to, modified for, and consolidated in the county board of the primary county served by the water commission. As a result, the county shall have all powers, functions, and taxing authority assigned to a water commission formed under Division 135 of the Illinois Municipal Code, as well as all other powers, functions, and taxing authority assigned to a water commission formed under the Water Commission Act of 1985, and counties to which such water commission powers and authorities have been reassigned may rely on Division 135 of the Illinois Municipal Code and the Water Commission Act of 1985, as a delegation of additional State authority to act.

A county served by a water commission where governance and legislative authority have been consolidated and transferred to the county under this amendatory Act of the 96th General

1	Assembly, shall assume the assets, property, powers, rights,
2	and monetary indebtedness of the predecessor consolidated
3	water commission, including, but not limited to:
4	(1) Authority to maintain and continue to collect any
5	property tax levy or sales tax lawfully approved by the
6	predecessor consolidated water commission prior to the
7	effective date of this amendatory Act of the 96th General
8	<u>Assembly.</u>
9	(2) Authority to impose and receive those property
10	taxes and occupation and use taxes authorized in Sections
11	2, 4, and 5 of the Water Commission Act of 1985.
12	(3) Authority to assume the succeeding interest in the
13	Great Lakes water allocation assigned by the Illinois
14	Department of Natural Resources to the predecessor
15	consolidated water commission.
16	(4) Authority to exercise those powers delegated to
17	water commissions under Division 135 of the Illinois
18	Municipal Code or the Water Commission Act of 1985, within
19	the territory authorized by those Acts, notwithstanding
20	that some of the territory may lie outside of the county.
21	(55 ILCS 5/5-43035 new)
22	Sec. 5-43035. Annual audit. The county auditor shall
23	annually audit all county accounts related to the exercise of
24	the water distribution powers vested in a successor county by

this amendatory Act of the 96th General Assembly and shall post

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the annual audit on the county's official Internet website. The annual audit shall address the county water distribution system and any waterworks systems operated by county public works as separate enterprises. The annual audit required under this Section must provide a transparent record of revenue received, expenses incurred, taxes levied, debt incurred, and capital reserves maintained in a manner that recognizes the separate and distinct function of the water distribution system and public works waterworks systems.

(55 ILCS 5/5-43040 new)

Sec. 5-43040. Water distribution enterprise fund. On December 1, 2010, a successor county vested with the powers of a county water commission under this amendatory Act of the 96th General Assembly shall establish a water distribution enterprise fund. All moneys transferred from a water commission to a successor county shall, for accounting purposes, be stated separately within the water distribution enterprise fund. The water distribution enterprise fund may include sub-funds for bond repayment and any other purposes as deemed useful for management purposes. All revenues received from property tax levies, occupation and use taxes imposed by the predecessor consolidated water commission, and rates and fees charged to the municipal customers of the county water distribution system shall be stated separately within the water distribution enterprise fund. Any surplus remaining after full payment of

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1 indebtedness, capital reserves, and expenses of the water

distribution system shall not be transferred to the common fund

as provided in Section 5-1011, but shall remain in the water

distribution enterprise fund.

Any county water fund existing on November 30, 2010, that was intended to state or hold revenues received from, or dedicated to, future expenses of a county public works waterworks system providing retail service to areas of that county shall be maintained after December 1, 2010 as a fund separate and distinct from the water distribution enterprise fund. The revenues, expenses, and capital reserves of the county water distribution system shall be accounted for separately from the revenues, expenses, and capital reserves of any public works retail waterworks system.

15 (55 ILCS 5/5-43045 new)

> Sec. 5-43045. Water rate authority. A county that becomes a successor in governance to a predecessor consolidated water commission under this amendatory Act of the 96th General Assembly, that also has a county public works department operating waterworks systems providing retail water distribution service to residents or businesses, or both, must operate a water distribution system to convey and provide water to multiple municipalities, units of local government, and private utility companies (known as "water distribution service"), and also a public works waterworks system that

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1	provides retail water service direct to end use customers
2	(known as "retail water service"). The water rates charged for
3	water distribution service shall be established as follows:
4	(1) The county shall charge its water distribution
5	customers a rate that is equal to or reasonably exceeds its
6	bulk water purchase rate to pay for the reasonable costs of
7	operation, debt servicing obligations, capitol reserves,
8	or its water distribution supply system.
9	(2) The rate charged by the county for water
10	distribution service shall increase in an amount equal to
11	any increase charged to the county for the purchase of bulk
12	water to be distributed, and such increase charged shall
13	automatically become effective without county action no
14	later than one month after the purchase rate increase takes
15	effect.
16	(3) Under no circumstance may the county charge a rate
17	less than the rate of the bulk water purchased by the
18	county for the water distribution service.
19	(4) If the water distribution rate in effect on
20	December 1, 2010 is less than the bulk purchase rate, then
21	the rate shall be immediately adjusted as set forth in this
22	Section.
23	Water rates for retail water service direct to end use
24	customers of any county public works retail water service

system operated by the county shall be established in

accordance with applicable State law by the county board.

1 (55 ILCS 5/5-43050 new)

2 Sec. 5-43050. Preparation and transition costs. All 3 reasonable costs incurred by a county in preparation for the 4 succession of authority and consolidation of power from a 5 county water commission under this amendatory Act of the 96th 6 General Assembly and in transition to the exercise of the powers and duties provided in this Division 5-43 shall be paid 7 8 by or reimbursed from the assets and revenue of the predecessor 9 consolidated water commission and shall be deemed proper costs 10 attributable to water distribution supply systems.

11 (55 ILCS 5/5-43055 new)

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Sec. 5-43055. Water service for unincorporated areas. A successor county may require as a condition of a new or existing water supply contract that a municipality provide water to unincorporated areas of the county that adjoin that municipality.

17 (55 ILCS 5/5-43060 new)

> Sec. 5-43060. Cross references. Beginning on December 1, 2010, all references in other statutes including Division 135 of the Municipal Code and the Water Commission Act of 1985, however phrased, to a water commission consolidated under this amendatory Act of the 96th General Assembly, shall be references to the county in its capacity as successor to the

- predecessor consolidated water commission. 1
- 2 (55 ILCS 5/5-43065 new)
- 3 Sec. 5-43065. Home rule. A home rule unit may not regulate
- 4 its water systems in a manner that is inconsistent with the
- 5 provisions of this amendatory Act of the 96th General Assembly.
- This Section is a limitation under subsection (i) of Section 6 6
- 7 of Article VII of the Illinois Constitution on the concurrent
- 8 exercise by home rule units of powers and functions exercised
- 9 by the State.
- Section 10. The Illinois Municipal Code is amended by 10
- adding Sections 11-135-15 and 11-135-20 11
- 12 (65 ILCS 5/11-135-15 new)
- 13 Sec. 11-135-15. Purpose. It is the purpose of this
- amendatory Act of the 96th General Assembly to abrogate the 14
- powers of water commissions created by this Act and to 15
- 16 consolidate and reassign those powers to the respective primary
- 17 counties that are served by those water commissions. The
- 18 purposes and goals of this amendatory Act of the 96th General
- 19 Assembly are further reflected and incorporated in Division
- 20 5-43 of the Counties Code.
- 21 (65 ILCS 5/11-135-20 new)
- Sec. 11-135-20. Consolidation and abrogation of power. 22

- 1 Notwithstanding any provision of law to the contrary, the
- powers previously assigned to water commissions under this Act 2
- and the Water Commission Act of 1985 are abrogated, reassigned, 3
- 4 and consolidated to the primary county serviced by such water
- 5 commission on December 10, 2010. The terms of abrogation,
- 6 reassignment, and consolidation are as set forth in Division
- 7 5-43 of the Counties Code.
- 8 Section 15. The Water Commission Act of 1985 is amended by
- 9 adding Sections 0.001 and 0.001a as follows:
- 10 (70 ILCS 3720/0.001 new)
- Sec. 0.001. Purpose. It is the purpose of this amendatory 11
- 12 Act of the 96th General Assembly to abrogate the powers of
- 13 water commissions created by this Act and to consolidate and
- 14 reassign those powers to the respective primary counties that
- are served by those water commissions. The purposes and goals 15
- of this amendatory Act of the 96th General Assembly are further 16
- 17 reflected and incorporated in Division 5-43 of the Counties
- 18 Code.
- 19 (70 ILCS 3720/0.001a new)
- Sec. 0.001a. Consolidation and abrogation of power. 20
- 21 Notwithstanding any provision of law to the contrary, the
- 22 powers previously assigned to water commissions under this Act
- 23 and Division 135 of the Illinois Municipal Code are abrogated,

- 1 reassigned, and consolidated to the primary county serviced by
- such water commission on December 10, 2010. The terms of 2
- abrogation, reassignment, and consolidation are as set forth in 3
- 4 Division 5-43 of the Counties Code.
- 5 Section 20. The State Mandates Act is amended by adding
- Section 8.34 as follows: 6
- 7 (30 ILCS 805/8.34 new)
- 8 Sec. 8.34. Exempt mandate. Notwithstanding Sections 6 and 8
- 9 of this Act, no reimbursement by the State is required for the
- 10 implementation of any mandate created by this amendatory Act of
- 11 the 96th General Assembly.
- 12 Section 97. Severability. The provisions of this Act are
- severable under Section 1.31 of the Statute on Statutes. 13
- Section 99. Effective date. This Act takes effect upon 14
- 15 becoming law.".